

RADIO STATIONS KFUD-AM and KFUD-FM
a DEPARTMENT, of
THE LUTHERAN CHURCH-MISSOURI SYNOD
NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 1987

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13. On September 30, 1985, the Radio Station leased its 92 KH3 Sub-Carrier Channel on an exclusive basis to Mutual Broadcasting Systems, Inc. (Mutual) for the transmission of various material. The terms of the lease stipulate that in consideration for the above mentioned service, Mutual agreed to pay the greater of 1) A proportional share of national gross revenues derived from the Sub-Carrier Network, or 2) the following lease payments:

1st Year	\$ 19,008
2nd Year	20,508
3rd Year	21,508
4th Year	22,608
5th Year	23,808

The initial term of the lease is for a period of 5 years subject to the terms and conditions as outlined in the agreement. Income received by the station in connection with the lease amounted to \$20,174 during 1987.

14. In accordance with Statment of Position 78-10, Accounting Principles and Reporting Practices for Certain Non-Profit Organizations, accounting policies adopted by The Lutheran Church-Missouri Synod, required the Radio Stations (effective June 30, 1987) to change the method of accounting for investments. Prior to June 30, 1987, investments were carried at the lower of cost or market. Subsequent to that date, the carrying value of all investments are recorded at market value. Unrealized gains and losses are reflected in the financial statements as a result of market fluctuations.

The financial statements of the Radio Stations for the year ended June 30, 1986, have been restated to reflect this change. The effect of this restatement on the Current and Endowment fund balance sheets for the year ended June 30, 1986 was as follows:

	CURRENT FUND		ENDOWMENT FUND	
	Current Fund Balance	Investments	Term Endowment	Investments
Balances as Previously Reported	\$ 623,290	\$ 199,629	\$ 13,700	\$ 20,912
Unrealized Gain on Investments due to Change In Market Value	<u>27,141</u>	<u>27,141</u>	<u>2,732</u>	<u>2,732</u>
Balances Restated	<u>\$ 650,431</u>	<u>\$ 226,770</u>	<u>\$ 16,432</u>	<u>\$ 23,644</u>

THE LUTHERAN CHURCH-MISSOURI SYNOD



International Center
1333 South Kirkwood Road
Saint Louis, Missouri 63122-7295
314 965-9000 Telex 43-4452 Lutheran STL

Internal Audit Department

AUDITORS' REPORT ON OTHER FINANCIAL INFORMATION

The Standing Committee on Broadcast
Radio Stations KFUD-AM and KFUD-FM
St. Louis, Missouri

The audited financial statements of Radio Stations KFUD-AM and KFUD-FM and our report thereon are presented in the preceding section of this report.

The financial information presented in the following schedules was derived from the accounting records tested by us as part of the auditing procedures followed in our examination of the aforementioned financial statements, and in our opinion is fairly presented in all material respects in relation to the financial statements taken as a whole; however, it is not necessary for a fair presentation of the financial position, results of operations and changes in the fund balances of Radio Stations KFUD-AM and KFUD-FM.

THE LUTHERAN CHURCH-MISSOURI SYNOD
Internal Audit Department

A handwritten signature in dark ink, appearing to read "Robert W. Brumby".

St. Louis, Missouri
August 7, 1987

RADIO STATIONS KFUD-AM and KFUD-FM
a DEPARTMENT, of
THE LUTHERAN CHURCH-MISSOURI SYNOD
SCHEDULE OF CHANGES IN INVESTMENT IN PLANT FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 1987

	PLANT FUND			COMMERCIAL	ACCUMULATED	NET
	BALANCE		BALANCE	AIR TIME	DEPRECIATION	INVESTMENT
	6/30/86	ADDITIONS	6/30/87	PAYABLE	6/30/87	IN PLANT
TRANSMITTER EQUIPMENT						
AM Transmitter	\$ 59,573	\$	\$ 59,573	\$	\$ 51,173	\$ 8,400
FM Transmitter	61,484		61,484		51,568	9,916
FM Subchannel Transmitter	22,864		22,864		14,114	8,750
FM Multi Station Antenna	93,112	35,967	129,079		13,138	115,941
	<u>237,033</u>	<u>35,967</u>	<u>273,000</u>	<u>-</u>	<u>129,993</u>	<u>143,007</u>
RADIATING EQUIPMENT	<u>25,881</u>	<u>-</u>	<u>25,881</u>	<u>-</u>	<u>25,881</u>	<u>-</u>
STUDIO TECHNICAL EQUIPMENT						
Studio and Production	102,415	48,306	150,721		79,832	70,889
Library of Recordings	21,147		21,147		21,147	-
	<u>123,562</u>	<u>48,306</u>	<u>171,868</u>	<u>-</u>	<u>100,979</u>	<u>70,889</u>
FURNITURE AND EQUIPMENT						
Studios	11,867	450	12,317	5,250	9,539	(2,472)
Offices	85,526	3,005	88,531		57,116	31,415
Refrigeration	17,900		17,900		8,950	8,950
Telephone System	12,659	2,386	15,045		6,568	8,477
Maintenance Tools	1,894		1,894		1,281	613
1985 Chevrolet Van	9,876		9,876		2,963	6,913
Computer Upgrade	13,323		13,323		3,996	9,327
	<u>153,045</u>	<u>5,841</u>	<u>158,886</u>	<u>5,250</u>	<u>90,413</u>	<u>63,223</u>
BUILDINGS						
Main Building	133,917		133,917		106,834	27,083
Office Annex Building	132,299		132,299		132,299	-
	<u>266,216</u>	<u>-</u>	<u>266,216</u>	<u>-</u>	<u>239,133</u>	<u>27,083</u>
IMPROVEMENTS OTHER THAN BUILDINGS	<u>8,657</u>	<u>-</u>	<u>8,657</u>	<u>-</u>	<u>6,277</u>	<u>2,380</u>
TOTAL	<u>\$ 814,394</u>	<u>\$ 90,114</u>	<u>\$ 904,508</u>	<u>\$ 5,250</u>	<u>\$ 592,676</u>	<u>\$ 306,582</u>

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RADIO STATIONS KFUD-AM and KFUD-FM
a DEPARTMENT, of
THE LUTHERAN CHURCH-MISSOURI SYNOD
SCHEDULE OF CURRENT FUND REVENUE (Compared with Budget)

	FOR THE YEAR ENDED JUNE 30, 1987			FOR THE YEAR ENDED JUNE 30, 1986		
	ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE)
Legacies and Bequests	\$ 435,128	\$ 200,004	\$ 235,124	\$ 576,980	\$ 189,996	\$ 386,984
Gifts and Grants						
Synod	-	-	-	955	-	955
Individuals	127,739	152,400	(24,661)	122,253	197,400	(75,147)
Congregations	39,739	40,008	(269)	37,090	51,000	(13,910)
Organizations	7,194	9,996	(2,802)	8,395	9,000	(605)
Underwriting Grants	22,443	18,000	4,443	17,362	18,000	(638)
Birthday Offerings	2,402	3,000	(598)	2,435	3,000	(565)
Memorial Wreaths	35,270	40,992	(5,722)	41,595	30,000	11,595
Other	17,776	57,900	(40,124)	24,214	21,408	2,806
Total	<u>252,563</u>	<u>322,296</u>	<u>(69,733)</u>	<u>254,299</u>	<u>329,808</u>	<u>(75,509)</u>
FM Commercials	324,038	431,400	(107,362)	368,507	341,496	27,011
Investment Income	44,283	27,000	17,283	33,266	21,996	11,270
Designation of Endowment Income	500	-	500	500	-	500
Extension Service	5,415	5,796	(381)	5,721	10,596	(4,875)
Operating Lease	20,174	-	20,174	14,784	-	14,784
Unrealized Gain on Investments	8,555	-	8,555	11,273	-	11,273
 TOTAL	 <u>\$1,090,656</u>	 <u>\$ 986,496</u>	 <u>\$ 104,160</u>	 <u>\$1,265,330</u>	 <u>\$ 893,892</u>	 <u>\$ 371,438</u>

RADIO STATIONS KFUD-AM and KFUD-FM
a DEPARTMENT, of
THE LUTHERAN CHURCH-MISSOURI SYNOD
SCHEDULE OF CURRENT FUND EXPENDITURES BY DEPARTMENT - SUMMARY
FOR THE YEAR ENDED JUNE 30, 1987

	TOTAL		INCREASE (DECREASE)	NEWS AND PUBLIC AFFAIRS	DEVELOPMENT AND PUBLIC RELATIONS	TECHNICAL	PRODUCTION AND TRAFFIC	RELIGIOUS PROGRAM- MING	EXTENSION SERVICES	ADMINIS- TRATION AND GENERAL	FM PROGRAM- MING	BUSINESS SERVICES
	1987	1986										
Salaries	\$ 417,629	\$ 346,090	\$ 71,539	\$ 49,987	\$ 11,770	\$ 60,844	\$ 34,357	\$ 50,348		\$ 41,680	\$ 140,120	\$ 28,523
Employee Benefits	80,886	76,455	4,431	7,976	1,496	12,217	6,938	9,028		7,138	28,005	8,088
Professional Fees	22,812	17,112	5,700			530						22,282
Travel	2,704	1,696	1,008		133	280		42		1,452	8	789
Stationery and Departmental Supplies	22,729	37,348	(14,619)	600	320	6,061		229		100	4,170	11,249
Insurance	7,337	4,374	2,963									7,337
Maintenance & Repairs-Building	9,624	11,396	(1,772)									9,624
-Grounds	-	481	(481)									
-Equipment	13,729	17,833	(4,104)			7,574	177					5,978
Seminars	-	94	(94)									
Utilities	21,276	22,911	(1,635)									21,276
Telephone	9,358	6,146	3,212	525	378	192	79	1,214		160	2,286	4,524
Postage	17,888	20,039	(2,151)		8,388				4,740	93	653	4,014
Promotions & Promotional Material	8,672	15,024	(6,352)		6,598						2,074	
Media Trade Outs	38,083	71,331	(33,248)								38,083	
Volunteers	83	71	12		83							
Printing, Artwork and Labels	26,377	19,752	6,625		23,627				2,750			
Mailing and Addressing	9,669	3,307	6,362		7,581				2,088			
Advertising	4,200	8,495	(4,295)								4,200	
Program Schedules	4,698	3,756	942								4,698	
Inserting Envelopes	4,177	1,517	2,660		4,177							
Great Commission Convocation	-	161	(161)									
Survey Services	48	48	-			48						
Tapes	288	3,000	(2,712)	288								
Lines and Special Wires	21,879	23,492	(1,613)	839		4,993	6,533	6,290			3,224	
Records, Transcriptions and Syndicated Programs	20,543	17,899	2,644					1,737			18,806	
Talent	7,270	7,670	(400)					4,780	2,090		400	
News Service	18,058	16,282	1,776	18,058								
Tower Rental	16,250	-	16,250								16,250	
Research	2,220	250	1,970								2,220	
Pressings	13,676	13,488	188						13,676			
Agency Fees	32,665	35,145	(2,480)								32,665	
Sales Commissions	41,603	41,057	546								41,603	
Subscriptions and Dues	3,127	791	2,336	585	25					2,517		
Bad Debt Expense	12,218	1,327	10,891								12,218	
Other	31,752	18,284	13,468	1,174	12,637	535	600	228	(228)	9,352	3,848	3,606
Total	\$ 943,528	\$ 864,122	\$ 79,406	\$ 80,032	\$ 77,213	\$ 93,274	\$ 48,684	\$ 73,896	\$ 25,116	\$ 62,492	\$ 355,531	\$ 127,290
STATISTICS												
Program Distribution	100%			8.5%	8.2%	9.9%	5.1%	7.8%	2.7%	6.6%	37.7%	13.5%
Budget	\$ 986,500			\$ 67,812	\$ 59,716	\$ 102,684	\$ 36,912	\$ 69,096	\$ 34,080	\$ 76,872	\$ 402,480	\$ 136,848
Budget Variance - Favorable (Unfavorable)	42,972			(12,220)	(17,497)	9,410	(11,772)	(4,800)	8,964	14,380	46,949	9,558
% Variance	4.4%			(18.0%)	(29.3%)	9.2%	(31.9%)	(6.9%)	26.3%	18.7%	11.7%	7.0%

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RADIO STATIONS KFUO-AM and KFUO-FM
a DEPARTMENT, of
THE LUTHERAN CHURCH-MISSOURI SYNOD
SCHEDULE OF CURRENT FUND EXPENDITURES BY DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 1987

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	TOTAL		INCREASE (DECREASE)
	1987	1986	
<u>NEWS AND PUBLIC AFFAIRS</u>			
Salaries	\$ 49,987	\$ 29,816	\$ 20,171
Employee Benefits	7,976	5,171	2,805
Stationery and Departmental Supplies	600	972	(372)
Telephone	525	-	525
Tapes	288	-	288
Lines and Special Wires	839	800	39
Records and Transcripts	-	45	(45)
Talent	-	175	(175)
News Service	18,058	16,282	1,776
Subscriptions and Dues	585	791	(206)
Other	1,174	92	1,082
TOTAL	<u>\$ 80,032</u>	<u>\$ 54,144</u>	<u>\$ 25,888</u>
<u>DEVELOPMENT AND PUBLIC RELATIONS</u>			
Personal Services and General:			
Salaries	\$ 11,770	\$ 17,473	\$ (5,703)
Employee Benefits	1,496	4,152	(2,656)
Travel	133	64	69
Stationery and Departmental Supplies	320	4,304	(3,984)
Seminars	-	94	(94)
Telephone	378	-	378
Postage	61	95	(34)
Volunteers	83	71	12
Subscriptions and Dues	25	-	25
Other	1,272	1,921	(649)
	<u>15,538</u>	<u>28,174</u>	<u>(12,636)</u>
Newsletter:			
Postage	2,528	3,514	(986)
Printing	6,873	11,604	(4,731)
Artwork	882	-	882
Mailing and Addressing	1,160	-	1,160
Other	8	-	8
	<u>11,451</u>	<u>15,118</u>	<u>(3,667)</u>
Regular Promotions:			
Postage	5,577	9,212	(3,635)
Printing	13,202	4,764	8,438
Artwork	2,523	130	2,393
Mailing and Addressing	6,421	1,274	5,147
Other	7,207	489	6,718
	<u>34,930</u>	<u>15,869</u>	<u>19,061</u>

RADIO STATIONS KFUD-AM and KFUD-FM
a DEPARTMENT, of
THE LUTHERAN CHURCH-MISSOURI SYNOD
SCHEDULE OF CURRENT FUND EXPENDITURES BY DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 1987

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	<u>TOTAL</u>		<u>INCREASE (DECREASE)</u>
	<u>1987</u>	<u>1986</u>	
<u>DEVELOPMENT AND PUBLIC RELATIONS - Cont.</u>			
Other Promotions:			
Postage	222	-	222
Promotional Material	6,598	6,533	65
Artwork	147	-	147
Advertising	-	8,495	(8,495)
KFUD Choir	33	-	33
Memorials	1,177	-	1,177
Inserting Envelopes	4,177	1,517	2,660
Outside Envelopes	328	-	328
Other	2,612	4,149	(1,537)
	<u>15,294</u>	<u>20,694</u>	<u>(5,400)</u>
 TOTAL	 <u>\$ 77,213</u>	 <u>\$ 79,855</u>	 <u>\$ (2,642)</u>
 <u>TECHNICAL</u>			
Salaries	\$ 60,844	\$ 59,615	\$ 1,229
Employee Benefits	12,217	12,173	44
Professional Fees	530	415	115
Travel	280	572	(292)
Stationery and Departmental Supplies	6,061	8,713	(2,652)
Maintenance and Repairs - Equipment	7,574	13,373	(5,799)
Telephone	192	-	192
Survey Services	48	48	-
Lines and Special Wires	4,993	10,094	(5,101)
Other	535	759	(224)
	<u>93,274</u>	<u>105,762</u>	<u>(12,488)</u>
 TOTAL	 <u>\$ 93,274</u>	 <u>\$ 105,762</u>	 <u>\$ (12,488)</u>
 <u>PRODUCTION AND TRAFFIC</u>			
Salaries	\$ 34,357	\$ 25,471	\$ 8,886
Employee Benefits	6,938	6,097	841
Stationery and Departmental Supplies	-	3,012	(3,012)
Maintenance and Repairs - Equipment	177	138	39
Telephones	79	-	79
Tapes	-	2,045	(2,045)
Lines and Special Wires	6,533	-	6,533
Other	600	220	380
	<u>48,684</u>	<u>36,983</u>	<u>11,701</u>
 TOTAL	 <u>\$ 48,684</u>	 <u>\$ 36,983</u>	 <u>\$ 11,701</u>

RADIO STATIONS KFUD-AM and KFUD-FM
a DEPARTMENT, of
THE LUTHERAN CHURCH-MISSOURI SYNOD
SCHEDULE OF CURRENT FUND EXPENDITURES BY DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 1987

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	<u>TOTAL</u>		<u>INCREASE</u> <u>(DECREASE)</u>
	<u>1987</u>	<u>1986</u>	
<u>RELIGIOUS PROGRAMMING</u>			
Salaries	\$ 50,348	\$ 23,953	\$ 26,395
Employee Benefits	9,028	4,639	4,389
Travel	42	-	42
Stationery and Departmental Supplies	229	250	(21)
Telephone	1,214	-	1,214
Tapes	-	955	(955)
Lines and Special Wires	6,290	10,838	(4,548)
Records and Transcripts	1,737	390	1,347
Talent	4,780	3,870	910
Other	228	126	102
	<u>73,896</u>	<u>45,021</u>	<u>28,875</u>
TOTAL	\$ <u>73,896</u>	\$ <u>45,021</u>	\$ <u>28,875</u>
<u>EXTENSION SERVICES</u>			
Personal Service and General:			
Stationery and Departmental Supplies	\$ -	\$ 227	\$ (227)
Postage	31	4	27
Artwork	-	563	(563)
Other	(437)	1,841	(2,278)
	<u>(406)</u>	<u>2,635</u>	<u>(3,041)</u>
Portals of Prayer:			
Postage	4,558	4,303	255
Labels	2,448	2,691	(243)
Mallers and Materials	2,088	2,033	55
Talent	2,090	-	2,090
Pressings	13,676	13,488	188
Other	35	49	(14)
	<u>24,895</u>	<u>22,564</u>	<u>2,331</u>
Great Commission Convocation	<u>-</u>	<u>161</u>	<u>(161)</u>
Other Records and Tapes:			
Postage	151	123	28
Labels	302	-	302
Talent	-	3,625	(3,625)
Other	174	812	(638)
	<u>627</u>	<u>4,560</u>	<u>(3,933)</u>
TOTAL	\$ <u>25,116</u>	\$ <u>29,920</u>	\$ <u>(4,804)</u>

RADIO STATIONS KFUD-AM and KFUD-FM
a DEPARTMENT, of
THE LUTHERAN CHURCH-MISSOURI SYNOD
SCHEDULE OF CURRENT FUND EXPENDITURES BY DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 1987

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	<u>TOTAL</u>		<u>INCREASE (DECREASE)</u>
	<u>1987</u>	<u>1986</u>	
<u>ADMINISTRATION AND GENERAL</u>			
Salaries	\$ 41,680	\$ 57,949	\$ (16,269)
Employee Benefits	7,138	16,021	(8,883)
Travel	1,452	346	1,106
Stationery and Departmental Supplies	100	107	(7)
Telephone	160	-	160
Postage	93	42	51
Subscriptions and Dues	2,517	-	2,517
Other	<u>9,352</u>	<u>2,827</u>	<u>6,525</u>
TOTAL	<u>\$ 62,492</u>	<u>\$ 77,292</u>	<u>\$ (14,800)</u>
<u>FM PROGRAMMING</u>			
Salaries	\$ 140,120	\$ 94,883	\$ 45,237
Employee Benefits	28,005	19,927	8,078
Travel	8	-	8
Stationery and Departmental Supplies	4,170	1,315	2,855
Telephone	2,286	-	2,286
Postage	653	911	(258)
Promotions	2,074	8,491	(6,417)
Media Trade Outs	38,083	71,331	(33,248)
Advertising	4,200	-	4,200
Program Schedules	4,698	3,756	942
Lines and Special Wires	3,224	1,760	1,464
Records and Syndicated Programs	18,806	17,464	1,342
Talent	400	-	400
Tower Rental	16,250	-	16,250
Research	2,220	250	1,970
Agency Fees	32,665	35,145	(2,480)
Sales Commissions	41,603	41,057	546
Bad Debt Expense	12,218	-	12,218
Other	<u>3,848</u>	<u>2,852</u>	<u>996</u>
TOTAL	<u>\$ 355,531</u>	<u>\$ 299,142</u>	<u>\$ 56,389</u>

RADIO STATIONS KFUD-AM and KFUD-FM
a DEPARTMENT, of
THE LUTHERAN CHURCH-MISSOURI SYNOD
SCHEDULE OF CURRENT FUND EXPENDITURES BY DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 1987

000029

	TOTAL		INCREASE (DECREASE)
	1987	1986	
<u>BUSINESS SERVICES</u>			
Salaries	\$ 28,523	\$ 36,930	\$ (8,407)
Employee Benefits	8,088	8,275	(187)
Professional Fees	22,282	16,697	5,585
Travel	789	714	75
Stationery and Departmental Supplies	10,323	15,596	(5,273)
Janitorial Supplies	926	2,852	(1,926)
Insurance	7,337	4,374	2,963
Maintenance and Repair - Building	9,624	11,396	(1,772)
- Grounds	-	481	(481)
- Equipment	5,978	4,322	1,656
Utilities	21,276	22,911	(1,635)
Telephone	4,524	6,146	(1,622)
Postage	4,014	1,835	2,179
Bad Debt Expense	-	1,327	(1,327)
Other	3,606	2,147	1,459
	<u>\$ 127,290</u>	<u>\$ 136,003</u>	<u>\$ (8,713)</u>

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THE LUTHERAN CHURCH--MISSOURI SYNOD
BOARD FOR COMMUNICATION SERVICES - KFUD RADIO STATION
ST. LOUIS, MISSOURI
JUNE 30, 1988

FINANCIAL STATEMENTS

(Unaudited)

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THE LUTHERAN CHURCH--MISSOURI SYNOD
BOARD FOR COMMUNICATION SERVICES-KFUO RADIO STATION

UNAUDITED FINANCIAL STATEMENTS

June 30, 1988

Balance Sheet	1
Statement of Current Fund Revenue, Expenses and Changes in the Fund Balance	2
Schedule of Current Fund Revenue and Expenses Compared with Budget - AM	3
Schedule of Current Fund Revenue and Expenses - AM	4
Schedule of Current Fund Revenue and Expenses Compared with Budget - FM	5
Schedule of Current Fund Revenue and Expenses - FM	6

The Lutheran Church Missouri Synod
Board for Communication Services - KFUD Radio Station
Balance Sheet
June 30, 1988

	Current Fund	P l a n t Unexpended	F u n d Expended	Endowment Fund	Total Fund
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ASSETS:					
Cash	\$1,534	\$	\$	\$	\$1,534
Due from Synod	217,931				217,931
Accounts Receivable					
Extension & Congregati	2,842				2,842
Commercial	111,029				111,029
Trust Earnings	4,189				4,189
Investments	251,077			23,585	274,663
Prepaid Expenses	4,683				4,683
Notes Receivable	2,050				2,050
Equipment:					
Transmitter			273,000		273,000
Radiating			28,531		28,531
Studio-Technical			214,536		214,536
Furniture & Fixtures			158,886		158,886
Building			266,216		266,216
Improvements			8,657		8,657
Accumulated Depreciation			(654,489)		(654,489)
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	595,336	0	295,337	23,585	914,258
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
LIABILITIES AND FUND BALANCE:					
Due To (From) other Funds	21,192	(21,192)			
Accrued Vacation	37,692				37,692
Accounts Payable	28,839				28,839
Deferred Grant	3,487				3,487
Deferred Restricted Rev.		21,192			21,192
Fund Balance	504,126			23,585	527,711
Net Investment in Plant			295,337		295,337
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$595,336	\$ 0	\$295,337	\$23,585	\$914,258
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The Lutheran Church--Missouri Synod
Board For Communication Services-KFUO Radio Station
Statement of Current Fund Revenue, Expenses and Changes in Fund Balance
For the Year Ended June 30, 1988

000033

	AM	FM	Total
REVENUE:			
Gifts and Grants			
Legacies & Bequest	\$341,094	\$	\$341,094
Congregations	34,841		34,841
Individuals	103,260	2,890	106,150
Memorials	30,491		30,491
Grants	47,312		47,312
	556,998	2,890	559,888
Commercial Sales	4,004	465,631	469,635
Less: Direct Expense-			
Agency Commissions		45,265	45,265
Sales Commissions		85,613	85,613
Net Sales	4,004	334,753	338,757
Interest	46,951		46,951
Unrealized Gain	7,215		7,215
Other Revenue	42,970	22,723	65,693
Total Revenue	658,138	360,367	1,018,504
EXPENDITURES:			
Personnel Cost	320,054	364,073	684,127
Travel & Meetings	3,667	2,779	6,446
Consult. Hospitality	12,826	27,830	40,656
Advertising Promotions		40,003	40,003
Promotional Materials	8,963	3,269	12,232
News Service Agency	20,403		20,403
Audio/Visual Production	16,012		16,012
Bldg. Repairs & Maint.	10,225		10,225
Creative Dev/Res		1,245	1,245
Equipment Maintenance	19,492	14,211	33,703
Films, Prints, Layouts		12,086	12,086
Heat, Light, Power, & Water	13,253		13,253
Power & Lease Payment (KMJM)		31,050	31,050
Inst. & Special Training	49		49
Insurance	7,370		7,370
Legal Fees	12,604		12,604
Long Distance	5,327	1,387	6,714
Mailing & Shipping	17,996	2,005	20,001
Membership	1,990		1,990
Uncollectible Debts		8,148	8,148
Miscellaneous	14,927	10,994	25,921
Office Supplies & Forms	13,360	6,388	19,748
Printing & Reproduction	27,774	6,826	34,600
Programs Syndicated		17,427	17,427
Publ. Bulletins Print		19,795	19,795
Tapes	4,126		4,126
Telephone	16,820	9,144	25,964
Records & Transcriptions	1,418		1,418
Supplies - Control Room	3,892	5,132	9,024
Equipment Purchase	12,101	12,448	24,549
Tower Rental - FM		31,466	31,466
Allocation - 40% to FM	(41,487)	41,487	
Total Expenses	523,162	669,192	1,192,355
Excess (Deficiency) of Revenue Over Expenses	\$134,976	(\$308,825)	(173,851)
Beginning Balance - July 1, 1987			728,545
Less: Transfers to Plant Fund	41,570	8,998	50,568
Ending Fund Balance - June 30, 1988			\$504,126

The Board For Communicati Services KFUD-AM Radio Station
Statement of Revenue and Expenses Compared with Budget
For the Year ended June 30, 1988

	M O N T H			Y E A R -T O- D A T E		
	Actual	Budget	Favorable (Unfavorable) Variance	Actual	Budget	Favorable (Unfavorable) Variance
REVENUE:						
Legacies & Bequests	\$61,705	\$16,667	\$45,038	\$341,094	\$200,004	\$141,090
Individuals	2,617	12,507	(9,890)	103,260	150,084	(46,824)
Congregations	2,989	5,834	(2,845)	34,841	70,008	(35,167)
Grants	644	1,700	(1,056)	47,312	20,400	26,912
Memorials	1,881	2,920	(1,039)	30,491	35,040	(4,549)
Investment Earnings	3,353	3,000	353	46,951	36,000	10,951
Others	22,583	1,790	20,793	50,185	21,480	28,705
Commercial Sales	311	195	116	4,004	2,340	1,664
Total Revenue	96,083	44,613	51,470	658,138	535,356	122,782
EXPENDITURES:						
Personnel Cost	36,411	26,450	(9,961)	320,054	317,400	(2,654)
Travel & Meetings	466	453	(13)	3,667	5,436	1,769
Consult. Hospitality	1,589	875	(714)	12,826	10,500	(2,326)
Advertising	0	300	300		3,600	3,600
Promotional Materials	2,551	1,273	(1,278)	8,963	15,272	6,309
News Service Agency	468	1,660	1,192	20,403	19,920	(483)
Audio/Visual Production	1,132	1,586	454	16,012	19,032	3,020
Bldg. Repairs & Maint.	1,029	1,160	131	10,225	13,920	3,695
Equipment Maintenance	1,086	1,053	(33)	19,492	12,635	(6,857)
Heat, Light, Power, & Water	1,422	1,010	(412)	13,253	12,120	(1,133)
Inst. & Special Training	0	83	83	49	1,000	951
Insurance	0	850	850	7,370	10,200	2,830
Legal Fees	3,719	1,500	(2,219)	12,604	18,000	5,396
Long Distance	454	696	242	5,327	8,356	3,029
Mailing & Shipping	1,095	2,537	1,442	17,996	30,444	12,448
Membership	0	342	342	1,990	4,104	2,114
Miscellaneous	1,805	627	(1,178)	14,927	7,524	(7,403)
Office Supplies & Forms	246	1,297	1,051	13,360	15,564	2,204
Printing & Reproduction	11,649	2,333	(9,316)	27,774	28,000	226
Other Promotional Exp.	0	1,208	1,208		14,496	14,496
Tapes	563	375	(188)	4,126	4,500	374
Telephone	1,470	1,250	(220)	16,820	15,000	(1,820)
Records & Transcriptions	285	335	50	1,418	4,020	2,602
Control Room Supplies	457	443	(14)	3,892	5,316	1,424
Equipment Purchase	267	420	153	12,101	5,040	(7,061)
Allocation to FM	(4,083)	(3,112)	971	(41,487)	(37,339)	4,148
Total Expenses	64,081	47,005	(17,076)	523,162	564,060	40,898
Excess (Deficiency) of Revenue Over Expenses	\$32,002	(\$2,392)	\$34,394	\$134,976	(\$28,704)	\$163,680

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The Lutheran Church--Missouri Synod
Board For Communication Services-KFUD Radio Station - AM
Schedule of Current Fund Revenue and Expenses
For the Year Ended June 30, 1988

	General Admin.	Develop and P.R.	Promotions	Extension	By the Way	Admin. Services	Business Services	Technical Services	Total
REVENUE:									
Gifts & Grants-									
Legacies & Bequests	\$341,094	\$	\$	\$	\$	\$	\$	\$	\$341,094
Congregations	34,841								34,841
Individuals	33,952		68,685		623				103,260
Memorials	30,371		120						30,491
Grants	47,312								47,312
Interest	46,951								46,951
Commercial Sales				1,504	2,500				4,004
Unrealized Gain	7,215								7,215
Other Revenues	41,490		1,310		170				42,970
Total Revenue	583,226	0	70,115	1,504	3,293	0	0	0	658,138
EXPENDITURES:									
Personnel Cost	158,628	23,130			4,070	44,424	33,920	55,881	320,054
Travel & Meetings	665	221				694	1,757	330	3,667
Consult. Hospitality	2,379	4,827	4,431			1,088		100	12,825
Promotional Materials	232		8,011		720				8,963
News Service Agency	20,403								20,403
Audio/Visual Production			3,006		13,006				16,012
Building Repairs & Maint.							10,225		10,225
Maintenance Supplies							953	2,939	3,892
Maint. & Control Rm. Suppl.							17,020	2,472	19,492
Heat, Light, Power, & Water							13,253		13,253
Inst. & Special Training		49							49
Insurance							7,370		7,370
Legal Fees							12,604		12,604
Long Distance	3,714	309				1,195		110	5,327
Mailing & Shipping	21	275	8,498	187	5,049	1,674	2,292		17,996
Membership	150	98				1,742			1,990
Miscellaneous	1,823	1,848	543	503	2,465	1,080	6,181	484	14,927
Office Supplies & Forms	106	188	563	217	3,886	4	8,365	32	13,360
Printing & Reproduction	3,811	1,799	18,515		3,543	55	51		27,774
Tapes	2,996			1,130					4,126
Telephone	7,154					40	8,353	1,273	16,820
Records & Transcriptions	436				983				1,418
Equipment Purchase							5,523	6,578	12,101
Allocation - 40% to FM						(3,029)	(37,579)	(879)	(41,487)
Total Expenses	202,518	32,744	43,566	2,038	33,720	48,968	90,289	69,320	523,162
Excess (Deficiency) of Revenue Over Expenses	\$380,708	(\$32,744)	\$26,549	(\$534)	(\$30,427)	(\$48,968)	(\$90,289)	(\$69,320)	\$134,976

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The Lutheran Church - Missouri Synod
Board For Communicati Services KFUD-FM Radio Station
Statement of Revenue and Expenses Compared with Budget
For the Year Ended June 30, 1988

	M O N T H			Y E A R -T O- D A T E		
	Actual	Budget	Favorable (Unfavorable) Variance	Actual	Budget	Favorable (Unfavorable) Variance
REVENUE:						
Individuals	\$40	\$200	(\$160)	\$2,890	\$2,400	\$490
Other	2,682	2,042	640	22,724	24,504	(1,780)
Commerical Sales (Total)	35,092	48,250	(13,158)	406,244	579,000	(172,756)
Less: Agency Fees	3,935	2,573	(1,362)	45,265	30,880	(14,385)
Sales Commission	8,598	7,238	(1,361)	85,613	86,850	1,237
Commercial Sales (Net)	22,558	38,380	(15,822)	275,365	422,180	(146,815)
Commercial Trades	6,560	4,000	2,560	59,387	48,000	11,387
Total Revenue	31,840	44,622	(12,782)	360,367	497,084	(136,718)
EXPENDITURES:						
Personnel Cost	45,743	27,265	(18,478)	364,073	327,184	(36,889)
Travel & Meetings	1,276	205	(1,071)	2,779	2,460	(319)
Consult. Hospitality	7,974	114	(7,860)	11,930	1,368	(10,562)
Advertising	3,186	625	(2,561)	25,954	7,500	(18,454)
Promotional Materials	1,404	1,208	(196)	3,269	14,496	11,227
Creative Dev. & Research	150	170	20	1,245	2,040	795
Equipment Purchased	378	350	(28)	2,795	4,200	1,405
Equip Maint & Repairs	754	493	(261)	14,211	5,912	(8,299)
Films, Prints, & Layouts	10	250	240	12,086	3,000	(9,086)
Long Distance	209	228	19	1,387	2,736	1,349
Office Supplies & Forms	407	415	8	6,388	4,980	(1,408)
Mailing & Shipping	176	100	(76)	2,005	1,200	(805)
Uncollectible Debts	8,148	0	(8,148)	8,148	0	(8,148)
Miscellaneous	91	100	9	2,012	1,200	(812)
Rent & Utilities-KMJM	2,800	1,150	(1,650)	31,050	13,800	(17,250)
Printing & Reproduction	585	250	(335)	6,825	3,000	(3,825)
Records & Syndicated Prog	2,707	2,085	(622)	17,427	25,020	7,593
Program Schedule/Ovation	15,116	420	(14,696)	18,530	5,040	(13,490)
Studio Supplies(Tapes)	1,375	500	(875)	5,132	6,000	868
Lines & Special Wires	872	475	(397)	9,144	5,700	(3,444)
Tower Rental	2,725	1,250	(1,475)	31,466	15,000	(16,466)
Media Trades	6,560	4,000	(2,560)	49,849	48,000	(1,849)
Allocations (40%)	4,083	3,112	(971)	41,487	37,344	(4,143)
Total Expenses	106,729	44,765	(61,964)	669,192	537,180	(132,012)
Excess (Deficiency) of Revenue Over Expenses	(\$74,889)	(\$143)	(\$74,746)	(\$308,825)	(\$40,096)	(\$268,729)

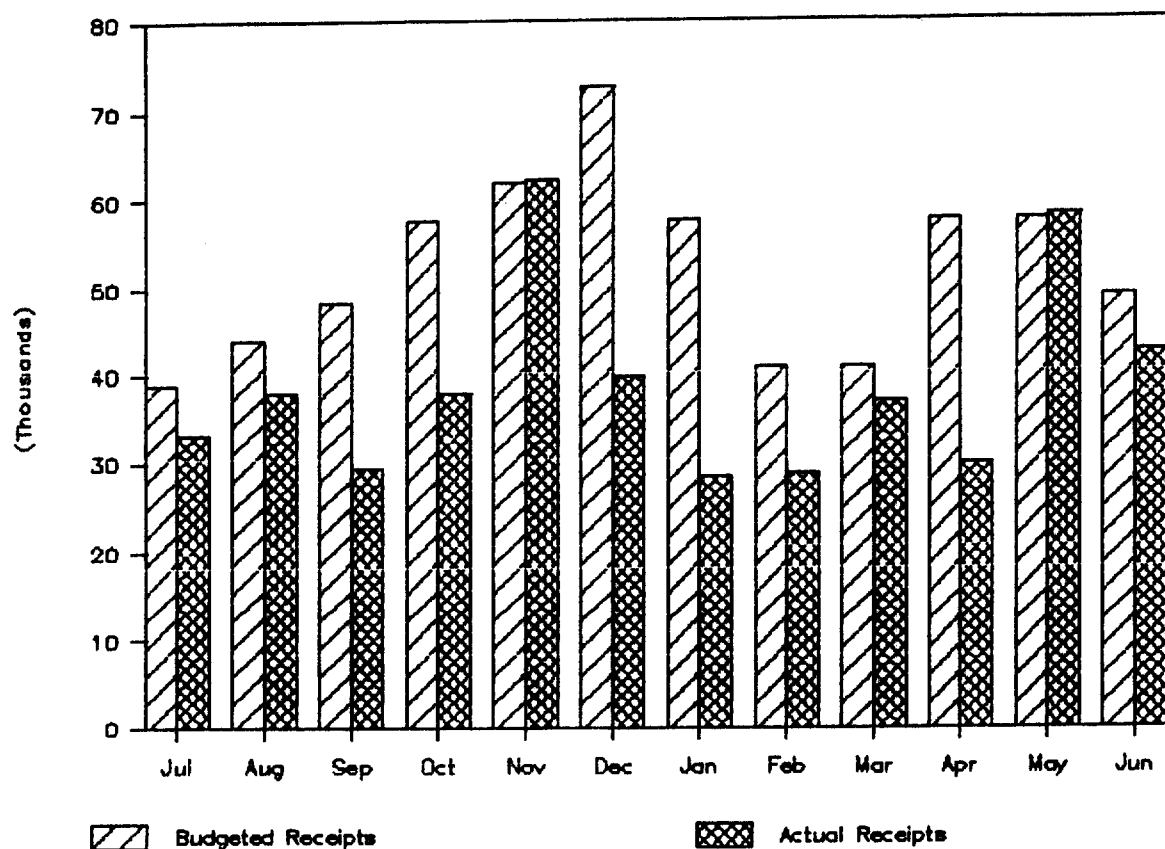
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The Lutheran Church--Missouri Synod
Board for Communication Services-KFUO Radio Station - FM
Schedule of Current Fund Revenue and Expenses
For the Year Ended June 30, 1988

000037

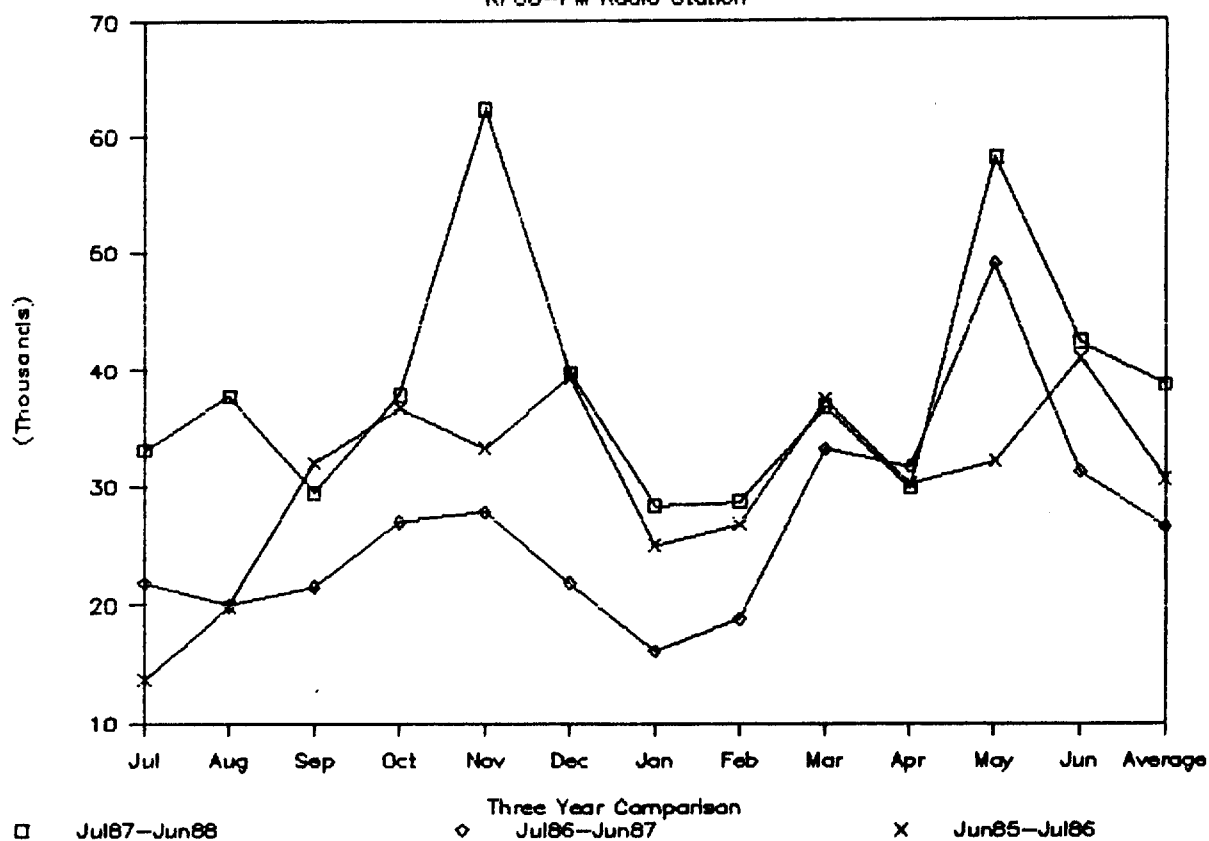
	Cash Sales	Trade Sales	Total
	-----	-----	-----
REVENUE:			
Commercial Sales	\$406,244	\$59,387	\$465,631
Less: Direct Expenses-			
Agency Commissions	45,265		45,265
Sales Commission	85,613		85,613
	-----	-----	-----
Net Sales	275,366	59,387	334,753
Other Revenue:			
Gifts - Individuals	2,890		2,890
Others	22,724		22,724
	-----	-----	-----
Total Revenue	300,980	59,387	360,367
	-----	-----	-----
EXPENDITURES:			
Personnel Cost	364,073		364,073
Travel, Meetings, Membershi	2,779		2,779
Hospitality-Workshops, Conf	5,470	15,900	21,370
Consultant & Professional	6,460		6,460
Advertising Expenses	25,954	14,049	40,003
Promotional Materials	3,269		3,269
Creative Dev. & Research	1,245		1,245
Equipment Purchased	2,795	9,653	12,448
Equipment Maintenance	14,211		14,211
Films, Prints, & Layouts	12,086		12,086
Long Distance	1,387		1,387
Office Supplies & Forms	6,388		6,388
Mailing & Shipping	2,005		2,005
Uncollectible Debts	8,148		8,148
Miscellaneous	2,012	8,982	10,994
Power & Lease Payment(KMJM)	31,050		31,050
Printing & Reproduction	6,825		6,825
Programs - Syndicated	17,427		17,427
Publ., Bulletins, & Prints	18,530	1,265	19,795
Supplies-Control Room	5,132		5,132
Telephone	9,144		9,144
Tower Rental	31,466		31,466
Allocation from AM - 40%	41,487		41,487
	-----	-----	-----
Total Expenses	619,343	49,849	669,192
	-----	-----	-----
Excess (Deficiency) of			
Revenue Over Expenses	(\$318,363)	\$9,538 *	(\$308,825)
	=====	=====	=====
* FM Transfer to Plant Fund for Capitalized Equipment			1,098
* FM Trade Sales with AM			
Hospitality			2,190
Flip Stereo			1,000
Copying Concept			5,250

Total			9,538
			=====



Commerical Sales

KFUD-FM Radio Station



LUTHERAN CHURCH-MISSOURI SYNOD
Radio Station KFUD - FM
Analysis of the Aging of FM Receivables

20-Aug-88

Aged as of	Total Accounts Receivable	Current	Percent	61-90 Days	Percent	91-120 Days	Percent	Over 121 Days	Percent
30-Nov-86	63,643	33,189	52.1%	7,740	12.2%	6,034	9.5%	16,681	26.2%
31-Dec-86	58,485	29,743	50.9%	10,258	17.5%	4,340	7.4%	14,144	24.2%
30-Jan-87	56,782	25,251	44.5%	10,366	18.3%	8,084	14.2%	13,080	23.0%
28-Feb-87	57,739	25,905	44.9%	9,736	16.9%	6,508	11.3%	15,590	27.0%
28-Mar-87	69,661	37,585	54.0%	7,578	10.9%	7,724	11.1%	16,774	24.1%
25-Apr-87	71,726	46,945	65.5%	4,100	5.7%	3,942	5.5%	16,739	23.3%
31-May-87	92,855	61,382	66.1%	11,549	12.4%	2,805	3.0%	17,119	18.4%
28-Jun-87	82,439	58,520	71.0%	11,373	13.8%	7,683	9.3%	4,863	5.9%
Average	69,166	39,815	57.6%	9,088	13.1%	5,890	8.5%	14,374	20.8%

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Aged as of	Total Accounts Receivable	Current	Percent	31-60 Days	Percent	61-90 Days	Percent	Over 90 Days	Percent
26-Jul-87	82,246	44,745	54.4%	19,159	23.3%	9,257	11.3%	9,085	11.0%
30-Aug-87	77,939	26,657	34.2%	20,524	26.3%	14,173	18.2%	16,586	21.3%
27-Sep-87	80,313	21,530	26.8%	25,028	31.2%	9,875	12.3%	23,881	29.7%
25-Oct-87	82,785	44,646	53.9%	18,214	22.0%	0	0.0%	19,925	24.1%
29-Nov-87	112,312	48,746	43.4%	24,862	22.1%	15,490	13.8%	23,215	20.7%
27-Dec-87	111,143	29,663	26.7%	41,869	37.7%	17,235	15.5%	22,376	20.1%
31-Jan-88	103,036	22,430	21.8%	24,236	23.5%	23,969	23.3%	32,401	31.4%
28-Feb-88	100,928	45,089	44.7%	0	0.0%	15,255	15.1%	40,585	40.2%
27-Mar-88	112,644	52,542	46.6%	15,000	13.3%	11,734	10.4%	33,368	29.6%
24-Apr-88	92,014	23,715	25.8%	36,732	39.9%	9,197	10.0%	22,370	24.3%
29-May-88	104,194	45,831	44.0%	18,933	18.2%	18,918	18.2%	20,513	19.7%
26-Jun-88	109,926	31,380	28.5%	36,003	32.8%	11,863	10.8%	30,680	27.9%
Average	97,457	36,414	37.4%	23,380	24.0%	13,080	13.4%	24,582	25.2%

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THE LUTHERAN CHURCH--MISSOURI SYNOD
BOARD FOR COMMUNICATION SERVICES - KFUD RADIO STATION
ST. LOUIS, MISSOURI
JUNE 30, 1989

FINANCIAL STATEMENTS

(Unaudited)

THE LUTHERAN CHURCH--MISSOURI SYNOD
BOARD FOR COMMUNICATION SERVICES-KFUC RADIO STATION

UNAUDITED FINANCIAL STATEMENTS

June 30, 1989

Balance Sheet	1
Statement of Current Fund Revenue, Expenses and Changes in the Fund Balance	2
Schedule of Changes in Cash-Due from (Due to) Synod	3
Schedule of Current Fund Revenue and Expenses Compared with Budget - AM	4
Schedule of Current Fund Revenue and Expenses - AM	5
Schedule of Current Fund Revenue and Expenses Compared with Budget - FM	6
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Tracking Commerical Sales	8

The Lutheran Church--Missouri Synod
Board for Communication Services - KFUD Radio Station
Balance Sheet
June 30, 1989

	Current Fund	P l a n t Unexpended	F u n d Expended	Endowment Fund	Total Fund
ASSETS:					
Cash	\$1,600	\$	\$	\$	\$1,600
Accounts Receivable					
Extension & Congregati	7,164				7,164
Commercial	200,921				200,921
Foundation	4,088				4,088
Investments	254,599			23,585	278,184
Prepaid Expenses	7,453				7,453
Notes Receivable	1,450				1,450
Equipment:					
Transmitter			478,229		478,229
Studio-Technical			220,747		220,747
Furniture & Fixtures			133,793		133,793
Other Equipment			25,093		25,093
Building & Improvements			274,873		274,873
Accumulated Depreciation			(743,057)		(743,057)
	477,276	0	389,678	23,585	890,539
	=====	=====	=====	=====	=====

LIABILITIES AND FUND BALANCE:

Funds Due to Synod	207,685				207,685
Due To (From) other Funds	21,192	(21,192)			(0)
Accrued Vacation	64,320				64,320
Accounts Payable	6,335				6,335
Deferred Restricted Rev.		21,192			21,192
Fund Balance	177,745			23,585	201,330
Net Investment in Plant			389,678		389,678
	\$477,276	\$ 0	\$389,678	\$23,585	\$890,539
	=====	=====	=====	=====	=====

The Lutheran Church--Missouri Synod
Board For Communication Services-KFUD Radio Station
Statement of Current Fund Revenue, Expenses and Changes in Fund Balance
For the Fiscal Year Ended June 30, 1989

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	AM	FM	Total
REVENUE:			
Gifts and Grants			
Legacies & Bequest	\$441,598	\$	\$441,598
Individuals	117,494	1,785	119,279
Congregations	30,098		30,098
Memorials	31,101		31,101
Grants	3,487		3,487
	623,778	1,785	625,563
Commercial Sales	36,774	501,087	537,861
LESS: Agency Commissions		46,151	46,151
Sales Commissions		106,372	106,372
Net Sales	36,774	348,564	385,338
Commercial Trades		56,423	56,423
Interest	51,435		51,435
Unrealized Gain	0		0
Other Revenue	18,947	6,558	25,505
Total Revenue	730,934	413,330	1,144,262
EXPENDITURES:			
Personnel Cost	370,945	380,073	751,018
Travel & Meetings	3,894	383	4,277
Consult. Hospitality	10,637	28,501	39,138
Advertising Promotions		24,974	24,974
Promotional Materials	18,826	46,789	65,615
News Service Agency	21,730		21,730
Audio/Visual Production	10,282		10,282
Bldg. Repairs & Maint.	11,698		11,698
Creative Dev/Res		140	140
Heat, Light, Power, & Water	10,880		10,880
Power & Lease Payment (KMJM)		48,028	48,028
Interest Expense		1,003	1,003
Insurance	5,490	4,494	9,984
Legal Fees	4,638	24,392	29,030
Telephone Equip & Charges	24,724	19,614	44,338
Mailing & Shipping	20,437	2,283	22,720
Membership	437	2,050	2,487
Uncollectible Debts		5,724	5,724
Miscellaneous	8,733	1,592	10,325
Office Supplies & Forms	10,800	4,285	15,085
Printing & Reproduction	50,343	578	50,921
Programs & License Agency Fees		15,793	15,793
Tapes	9,298		9,298
Records & Transcriptions	2,091		2,091
Supplies - Control Room	5,552	12,266	17,818
Equipment Maintenance	9,271	4,586	13,857
Equipment Purchase	3,906	12,098	16,004
Tower Rental - FM		33,476	33,476
Allocation - 40% to FM	(23,867)	23,867	
Total Expenses	590,745	696,938	1,287,734
Excess (Deficiency) of Revenue Over Expenses	\$140,189	(\$283,658)	(143,472)
Beginning Balance - July 1, 1988			504,126
Less: Transfers to Plant Fund			182,909
Ending Fund Balance - June 30, 1989			\$177,745

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Board for Communications Services - KFDD Radio Station
The Lutheran Church--Missouri Synod
Schedule of Changes in Cash-Due from (Due to) Synod
For the Fiscal Year Ended June 30, 1989

OPERATING ACTIVITIES-

Excess (deficiency) of revenue over expenses (\$143,472)

Adjustments to reconcile excess (deficiency)
of revenue over expenses to net cash
provided by operating activities:

Uncollectible Debt Expense which did not require cash outlay	1,999
Increase in Accounts Receivable	(96,112)
Increase in Other Assets	(2,236)
Increase in Investments	(3,522)
Decrease in Accounts Payable	(22,504)
Decrease in Deferred Grants	(3,487)
Increase in Vacation Accruals	26,628

Net Cash provided by Operating Activities (242,707)

INVESTING ACTIVITIES-

Purchase of Broadcasting Tower equipment (182,909)

Increase in Cash-Due from (Due to) Synod (425,616)

Cash-Due from (Due to) Synod at July 1, 1988 217,931

Cash-Due from (Due to) Synod at end of the month (\$207,685)